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SUBJECT: ASSESSING UNODC'S ANTONIO COSTA

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UNVIE VIEN 00000296 001.3 OF 003

SUMMARY

1. (SBU) SUMMARY: Antonio Costa, Executive Director of the UN Office of Drugs and Crime (UNODC), is scheduled to roll out UNODC's annual World Drug Report with the Director of the White House Office of National Drug Control Policy, Gil Kerlikowske on June 24. Costa is an ambitious and energetic leader of the UNODC who should be commended for making the UNODC more politically relevant and operationally effective. Further, he is a strong partner in USG efforts to combat narco-trafficking in Afghanistan and breaking the heroin-insurgency link. However, his record as a manager is mixed. He often fails to consult with member states before launching new policy or program initiatives. UNODC staff complain privately that he is largely absent as a manager, but autocratic and micro-managing when he does get involved. Finally, member states and UNODC officials all agree that his propensity for dramatic and provocative public statements does little to advance UNODC's substantive issues. For the June 24 roll-out, it is entirely possible that Costa's Public Relations handler could give the event more glitz than substance. END SUMMARY.

World Drug Report

2. (SBU) Every year since 2004, UNODC has released the World Drug Report, a statistical and analytical study of the production, trafficking and consumption of controlled substances. Costa is understandably proud of this document, calling it the most recognizable "brand" of the UNODC and the "gold standard" of reporting on drugs. While member states do not always agree with the conclusions found in the report, USG considers the document a worthwhile exercise, especially in tracking consumption trends. (Note: Most recently, EU Member States did not agree with the 2008 Report's assertion that the global drug problem had largely been contained. End Note.)

Strategic Visions for
Afghanistan Counternarcotics

3. (SBU) Costa is a strong USG ally on the issue of counter-narcotics in Afghanistan. He was an early advocate of food assistance and visible development assistance to farmers. He has

long argued for the need to break the link between narcotics and insurgency, calling for ISAF action to destroy trafficking routes and markets, now a component of our AFPAK strategy. And, like the USG, he sees Afghan drugs as a regional problem that must be solved regionally. UNODC adopted this regional approach several years ago, as evident in its Rainbow Strategy, the Paris Pact initiative (50-plus partners), and the Triangular Initiative (Afghanistan, Pakistan, Iran). UNODC recently sent a mission to Pakistan to identify its needs and to determine how UNODC could better contribute to solving the regional drug problem in Pakistan. Tasked by G-8 chair Italy, UNODC will present a paper on a regional strategy at the June 26 G-8 Ministerial on Afghanistan. Cognizant that UNODC is uniquely positioned to advance a potential counter-narcotics dialogue between Iran and the U.S., Costa and his staff have been diligent in briefing the Mission on its activities in and on Iran, although that country is still the weakest leg of the UNODC's regional approach.

High Marks for Political
and Financial Savvy

¶4. (SBU) Costa is an energetic and charismatic leader who deserves much credit for making UNODC a more relevant agency in the counter-narcotics field. Arriving in 2002, Costa found a UNODC beset with problems related to financial and governance mismanagement, political irrelevancy and largely unfocused mandates.

Seven years later, Costa has transformed UNODC into a dynamic technical assistance operation that is increasingly recognized across the USG as an important player on the counter-narcotics scene-especially in the area of demand reduction and Afghanistan opium. As a testament to his leadership, voluntary contributions to UNODC have increased four fold in the past seven years from

UNVIE VIEN 00000296 002.3 OF 003

approximately USD 60 million in 2001 to over USD 260 million in ¶2008. (Note. USG contributed over USD 27 million in 2008. End note.) UNCAC TOC

Low Marks for Management

¶5. (SBU) However, Costa gets a very mixed review for his management of UNODC in recent years. Because overhead funds have not kept pace with program contributions UNODC is currently experiencing a financial crisis that threatens its ability to continue implementation of its various mandates. The financial crisis is also affecting internal UNODC hiring and human resource decisions. Nearly two dozen Vienna and field-based jobs, have been or will be cut in the months ahead to make ends meet. Nevertheless, many UNODC interlocutors have privately complained to Missionoff that Costa is largely an absent manager on these issues, focusing instead on travel around the world and on attempting to launch high-profile initiatives. These interlocutors--many of whom are quite senior--point to the fact that it took Costa over four months to brief member states on the crisis as evidence of his disengagement.

¶6. (SBU) Member states have been unhappy with Costa's persistent efforts to expand UNODC's mandates, to make policies on his own rather than to execute member states' policies. This habit was exemplified by his attempts in 2008 to launch two splashy initiatives (UN.ARMS on firearms and UN.GRACE on anti-corruption), which failed because of strenuous member state objection. Costa has also openly criticized member state and UNODC work to implement the two prominent global anti-crime conventions - the UN Convention Against Corruption and the UN Convention Against Transnational Organized Crime -- whereas the U.S. and many other member states view this work as the cornerstone of the UN's anticrime activities.

Officials within UNODC also find themselves disagreeing with Costa on issues related to policy and priorities. For example, while Costa continues to push for the adoption of a Global Plan of Action to Combat Human Trafficking, his own anti-human trafficking office is against it. Similarly, Costa's repeated calls for a cybercrime

convention conflict with the private statements of his experts on the issue, who lament that they "can't control the man." (Note: USG disagrees with Costa on both issues. End note.) And when Costa does become involved in an issue, he tends to be very autocratic.

17. (SBU) Costa's energy and enthusiasm often compels him to act in ways contrary to member states' positions. Many delegations complain that he forgets that the UNODC is driven by policy directions from the member states through decisions in the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ). Some delegations attribute this to the fact that he has been the Executive Director for too long, while others ascribe it to his personality and outlook. For example, Costa recently wrote an op-ed for the New York Times where he encouraged the United States to accede to and implement the Firearms Protocol of UNODC's Convention against Transnational Organized Crime. UNVIE asked Costa to correct some legal and factual mistakes found in the draft which he sent to the mission for comments. We also reminded Costa that he worked for member states, not the other way around. However, Costa responded that he was "the conscience of member states" and therefore felt obliged to speak out, even if his position did not represent member states' consensus. Mission shares many of these concerns, and continues urging Costa towards greater prudence.

No Stranger to the Camera

18. (SBU) Costa loves publicity. And he loves sound-bites, the more dramatic the better. Often, however, he is more interested in drama than in the soundness or consequences of his statements. For example, in attempting to push for a cybercrime convention, Costa referred to the internet as a "weapon of mass destruction." When discussing the changing dynamics of human trafficking, he stated that "women are the new pimps." His comment to journalist advocating that we flood Afghanistan with heroin in order to force a collapse in opium prices and a fall in poppy production was sound economics but awful policy. He described the extremely divisive issue of "harm reduction" as a "tempest in a teapot." Such statements, made with little or no warning to member states, or even to his own staff (and sometimes not even to his own speechwriter), certainly serve to provoke reaction, but does not help to advance

UNVIE VIEN 00000296 003.2 OF 003

substantive dialogue or decisions. Based on this pattern, we fear that for the June 24 rollout of the World Drug Report, Costa's PR handler could well give the event more glitz than substance.

Looking to Extend His Term

19. (SBU) Costa's term at UNODC is scheduled to expire in May 2010 but he is privately lobbying member states and the UN Secretary General (SYG) for an extension to the end of 2011. While he privately told a senior USG official that the decision to extend his term is solely in the hands of the SYG, he has taken advantage of Italy-sponsored international meetings in the last few months to campaign for his extension. Gianfranco Fini, president of Italy's Chamber of Deputies (lower house of Parliament), and formerly Deputy Prime Minister and Foreign Minister, is considered to be Costa's political godfather, and undoubtedly instrumental in Costa's appointment to the UNODC in 2002. However, Italian influence in UNODC, previously without parallel (an Italian has held Costa's position since the mid-1980's), is waning due to cuts in its international development assistance funds, including an 80 percent cut in contributions to UNODC. We have also heard speculation within UNODC that the SYG may want to shake up national monopolies of senior UN positions. As a matter of general policy on term limits for senior UN officials, the U.S. does not support an extension of Costa's term (Reftel). The UK shares our view for the same reasons. However, the recently departed French Ambassador advocated support ("lest we get someone worse"), and the Italian Mission in Vienna said Italy would definitely back Costa.

Comment

¶10. (SBU) Costa is a friend of the United States, and has partnered well with us on our highest priorities in Afghanistan. However, his energies do need to be channeled carefully. His June 24 visit to Washington is another opportunity to do so. End Comment.

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